

Form **990****Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No. 1545-0047

**2010**Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

**A** For the 2010 calendar year, or tax year beginning , 2010, and ending , 20

<b>B</b> Check if applicable:	<input type="checkbox"/> Address change	<b>C</b> Name of organization <b>NATIONAL FEDERATION OF INDEPENDENT BUSINESS, INC.</b>	<b>D</b> Employer identification number 94-0707299
	<input type="checkbox"/> Name change	<b>Doing Business As</b>	
	<input type="checkbox"/> Initial return	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 53 CENTURY BOULEVARD 250	<b>E</b> Telephone number (615) 872-5800
	<input type="checkbox"/> Terminated	City or town, state or country, and ZIP + 4 NASHVILLE, TN 37214-3682	<b>G</b> Gross receipts \$ 103,771,418.
	<input type="checkbox"/> Amended return	<b>F</b> Name and address of principal officer: DONALD A DANNER 1201 F ST. NW, SUITE 200 WASHINGTON, DC 20004	<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "No," attach a list (see instructions)
<input type="checkbox"/> Application pending			<b>H(c)</b> Group exemption number ▶
<b>I</b> Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) ( 6 ) ◀ (insert no.) 4947(a)(1) or 527			
<b>J</b> Website: ▶ WWW.NFIB.COM			
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ <b>L</b> Year of formation: 1949 <b>M</b> State of legal domicile: CA			

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: NATIONAL FEDERATION OF INDEPENDENT BUSINESS' MISSION IS TO PROMOTE AND PROTECT THE RIGHTS OF ITS MEMBERS TO OWN, OPERATE AND GROW THEIR BUSINESSES.		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	12.
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	11.
	<b>5</b> Total number of individuals employed in calendar year 2010 (Part V, line 2a)	<b>5</b>	1,124.
<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	0.	
<b>7a</b> Total gross unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	2,300,433.	
<b>b</b> Net unrelated business taxable income from Part VIII, column (D), line 12	<b>7b</b>	232,522.	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	<b>9</b> Program service revenue (Part VIII, line 2g)	4,149,447.	8,755,275.
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	78,438,373.	80,481,908.
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-765,598.	1,918,570.
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,864,942.	3,792,543.
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	85,687,164.	94,948,296.
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	25,700.	125,932.
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	58,641,664.	59,136,982.
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶	1,449,256.	1,744,295.
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)			
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	21,071,557.	25,921,022.	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	81,188,177.	86,928,231.	
<b>Net Assets or Fund Balances</b>		4,498,987.	8,020,065.
	<b>20</b> Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	<b>21</b> Total liabilities (Part X, line 26)	32,407,526.	38,313,643.
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	69,265,554.	67,195,225.
		-36,858,028.	-28,881,582.

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	<b>Signature of officer</b> <i>Jeff Smith</i>	<b>Date</b> 5/13/11			
	<b>Type or print name and title</b> Jeff Smith Treasurer				
<b>Paid Preparer Use Only</b>	<b>Print/Type preparer's name</b>	<b>Preparer's signature</b>	<b>Date</b>	<b>Check if self-employed</b> <input type="checkbox"/>	<b>PTIN</b> P00292939
	<b>Firm's name</b> ▶ KPMG LLP			<b>Firm's EIN</b> ▶ 13-5565207	
	<b>Firm's address</b> ▶ 401 COMMERCE STREET, SUITE 1000 NASHVILLE, TN 37219			<b>Phone no.</b> 615-244-1602	
<b>May the IRS discuss this return with the preparer shown above? (see instructions)</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>					

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2010)

JSA  
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**Part III** Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☒ **X**

1 Briefly describe the organization's mission:

ATTACHMENT 1

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No  
 If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No  
 If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

NFIB IS A NONPARTISAN ADVOCACY ORGANIZATION THAT REPRESENTS SEVERAL HUNDRED THOUSAND SMALL AND INDEPENDENT BUSINESSES IN ALL FIFTY STATES. NFIB LOBBIES ON BEHALF OF SMALL AND INDEPENDENT BUSINESS AT THE FEDERAL LEVEL AND IN ALL FIFTY STATES. THROUGH ITS COMMUNICATION ACTIVITIES, NFIB ALSO PROVIDES ITS MEMBERS, ELECTED OFFICIALS, NEWS MEDIA AND THE GENERAL POPULATION WITH INFORMATION REGARDING THE IMPORTANCE OF SMALL AND INDEPENDENT BUSINESS AND THE VALUE OF THE FREE ENTERPRISE SYSTEM.

4b (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses ►

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .		X
2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions) . . . . .	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .	X	
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III . . . . .	X	
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I . . . . .		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II . . . . .		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III . . . . .		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV . . . . .		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V . . . . .		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI . . . . .	X	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII . . . . .		X
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII . . . . .		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX . . . . .		X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X . . . . .	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X . . . . .	X	
12 a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII . . . . .		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional . . . . .	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .		X
14 a Did the organization maintain an office, employees, or agents outside of the United States? . . . . .		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV . . . . .		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV . . . . .		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV . . . . .		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) . . . . .	X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .		X
20 a Did the organization operate one or more hospitals? If "Yes," complete Schedule H . . . . .		X
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions) . . . . .		X

**Part IV Checklist of Required Schedules (continued)**

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II. . . . .	X	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III. . . . .		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J. . . . .	X	
24 a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25. . . . .		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		
25 a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I. . . . .		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I. . . . .		
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II. . . . .		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III. . . . .		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV. . . . .		X
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV. . . . .		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV. . . . .		X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M. . . . .		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M. . . . .		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I. . . . .		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II. . . . .		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I. . . . .		X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1. . . . .	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? . . . . .	X	
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2. . . . .	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2. . . . .		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI. . . . .		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O. . . . .	X	

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**Part V** Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V. ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable . . . . .	1a 152		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable . . . . .	1b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	1c	X	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . . . . .	2a 1,124		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	2b	X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year? . . . . .	3a	X	
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .	3b	X	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .	4a		X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TDF 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .	5b		X
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T? . . . . .	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? . . . . .	6a	X	
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	6b	X	
7 Organizations that may receive deductible contributions under section 170(c). . . . .			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .	7a		
b If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .	7c		
d If "Yes," indicate the number of Forms 8282 filed during the year . . . . .	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .	7e		
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .	7f		
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8889 as required? . . . . .	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? . . . . .	7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .	8		
9 Sponsoring organizations maintaining donor advised funds. . . . .			
a Did the organization make any taxable distributions under section 4966? . . . . .	9a		
b Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .	9b		
10 Section 501(c)(7) organizations. Enter: . . . . .			
a Initiation fees and capital contributions included on Part VIII, line 12 . . . . .	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . . . .	10b		
11 Section 501(c)(12) organizations. Enter: . . . . .			
a Gross income from members or shareholders . . . . .	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . .	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? . . . . .	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . . . .	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers. . . . .			
a Is the organization licensed to issue qualified health plans in more than one state? . . . . . Note. See the instructions for additional information the organization must report on Schedule O.	13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans . . . . .	13b		
c Enter the amount of reserves on hand . . . . .	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year? . . . . .	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . . . .	14b		

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI ☒ X

**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year . . . . . 1a 12		
b Enter the number of voting members included in line 1a, above, who are independent . . . . . 1b 11		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . . 2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . . 3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . . 4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . . 5		X
6 Does the organization have members or stockholders? . . . . . 6		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . . 7a		X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . . 7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body? . . . . . 8a	X	
b Each committee with authority to act on behalf of the governing body? . . . . . 8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . . 9		X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates? . . . . . 10a		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? . . . . . 10b		
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? . . . . . 11a		X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990. . . . . 12a	X	
12a Does the organization have a written conflict of interest policy? If "No," go to line 13 . . . . . 12a	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . . 12b	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . . 12c	X	
13 Does the organization have a written whistleblower policy? . . . . . 13	X	
14 Does the organization have a written document retention and destruction policy? . . . . . 14	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official . . . . . 15a	X	
b Other officers or key employees of the organization . . . . . 15b	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . . 16a		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? . . . . . 16b		

**Section C. Disclosure**

17 List the states with which a copy of this Form 990 is required to be filed CA, FL

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.  
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: JEFF SMITH 53 CENTURY BLVD. SUITE 250 NASHVILLE, TN 37214-3682  
615-872-5800

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response to any question in this Part VII. ☒ X**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's current key employees, if any. See instructions for definition of "key employee."

- List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) TIMOTHY CLAYTON CHAIRMAN	1.00	X						38,000.	0	203.
(2) DON COGMAN DIRECTOR	1.00	X						15,695.	0	203.
(3) SUNDER RAMANI DIRECTOR	1.00	X						16,000.	0	203.
(4) BRADLEY EIFFERT DIRECTOR	1.00	X						16,000.	0	203.
(5) RUTH LOPEZ NOVODOR DIRECTOR	1.00	X						7,500.	0	203.
(6) A JUNE LENNON DIRECTOR	1.00	X						16,000.	0	135.
(7) THOMAS MICHAEL NOBIS DIRECTOR	1.00	X						8,000.	0	203.
(8) MARIA COAKLEY DAVID DIRECTOR	1.00	X						7,500.	0	203.
(9) DAVID M GUERNSEY DIRECTOR	1.00	X						16,000.	0	203.
(10) NEVIN GROCE DIRECTOR	1.00	X						5,500.	0	203.
(11) BETTY NEIGHBORS DIRECTOR	1.00	X						8,000.	0	203.
(12) DONALD A DANNER PRESIDENT/CEO	40.00	X		X				637,883.	0	41,889.
(13) KURT SUMMERS DIRECTOR	1.00	X						5,500.	0	203.
(14) MARY BLASINSKY SVP/SECRETARY	40.00			X				262,005.	0	37,462.
(15) TAMMY S BOEHMS SVP/CFO	40.00			X				337,022.	0	24,971.
(16) JEFF SMITH TREASURER	40.00			X				146,138.	0	18,895.

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(17) STEPHEN WOODS VP STATE PUBLIC POLICY	40.00				X			280,036.	0.	32,974.
(18) SUSAN M ECKERLY SVP PUBLIC POLICY	40.00				X			281,123.	0.	29,427.
(19) JOHN CASELLA SVP SALES	40.00				X			325,528.	0.	36,925.
(20) MARK GARZONE SVP MARKETING	40.00					X		303,538.	0.	37,377.
(21) MARK MOFFITT MEMBER SALES REP	40.00					X		243,618.	0.	21,086.
(22) BEVERLY SHEA VP DEVELOPMENT	40.00					X		227,110.	0.	23,377.
(23) PAMELA CONNOR VP HUMAN RESOURCES	40.00					X		227,071.	0.	38,147.
(24) CLEON HEADLEY MEMBER SALES REP	40.00					X		221,413.	0.	19,984.
(25)										
(26)										
(27)										
(28)										
1b Sub-total								3,652,180.	0.	364,882.
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								3,652,180.	0.	364,882.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **122**

- 3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4	X	
5		X

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 2		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **25**



**Part VIII Statement of Revenue**

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>Contributions, gifts, grants and other similar amounts</b>	1a	Federated campaigns . . . . .	1a				
	b	Membership dues . . . . .	1b				
	c	Fundraising events . . . . .	1c				
	d	Related organizations . . . . .	1d	439,294.			
	e	Government grants (contributions) . . . . .	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above . . . . .	1f	8,315,981.			
	g	Noncash contributions included in lines 1a-1f: \$ . . . . .					
	h	<b>Total. Add lines 1a-1f . . . . .</b>		8,755,275.			
<b>Program Service Revenue</b>	2a	MEMBERSHIP DUES	Business Code 541900	80,423,370.	80,423,370.		
	b	REGISTRATION FEES	541900	58,538.	58,538.		
	c						
	d						
	e						
	f	All other program service revenue . . . . .					
	g	<b>Total. Add lines 2a-2f . . . . .</b>		80,481,908.			
	<b>Other Revenue</b>	3	Investment income (including dividends, interest, and other similar amounts) . . . . .		622,736.		10,000.
4		Income from investment of tax-exempt bond proceeds . . . . .		0.			
5		Royalties . . . . .		1,154,755.			1,154,755.
			(i) Real (ii) Personal				
6a		Gross Rents. . . . .	401,840.				
b		Less: rental expenses . . . . .	330,977.				
c		Rental income or (loss) . . . . .	70,863.				
d		Net rental income or (loss) . . . . .		70,863.			70,863.
			(i) Securities (ii) Other				
7a		Gross amount from sales of assets other than inventory . . . . .	9,782,149.	5,830.			
b		Less: cost or other basis and sales expenses . . . . .	8,492,145.				
c		Gain or (loss) . . . . .	1,290,004.	5,830.			
d		Net gain or (loss) . . . . .		1,295,834.			1,295,834.
8a		Gross income from fundraising events (not including \$ . . . . . of contributions reported on line 1c). See Part IV, line 18 . . . . .	a				
b		Less: direct expenses . . . . .	b				
c		Net income or (loss) from fundraising events . . . . .		0.			
9a		Gross income from gaming activities. See Part IV, line 19 . . . . .	a				
b		Less: direct expenses . . . . .	b				
c		Net income or (loss) from gaming activities . . . . .		0.			
10a		Gross sales of inventory, less returns and allowances . . . . .	a				
b	Less: cost of goods sold . . . . .	b					
c	Net income or (loss) from sales of inventory . . . . .		0.				
<b>Miscellaneous Revenue</b>		<b>Business Code</b>					
11a	OTHER INCOME	541900	2,167,380.	110,469.	2,056,911.		
b	SPONSORSHIP INCOME	541800	166,023.	166,023.			
c	ADVERTISING	541800	233,522.		233,522.		
d	All other revenue . . . . .						
e	<b>Total. Add lines 11a-11d . . . . .</b>		2,566,925.				
12	<b>Total revenue. See instructions . . . . .</b>		94,948,296.	80,758,400.	2,300,433.	3,134,188.	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	125,932.			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 . . . . .	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 . . . . .	0.			
4 Benefits paid to or for members . . . . .	0.			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	2,654,341.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	0.			
7 Other salaries and wages . . . . .	44,789,252.			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	2,861,206.			
9 Other employee benefits . . . . .	5,385,316.			
10 Payroll taxes . . . . .	3,446,867.			
11 Fees for services (non-employees):	0.			
a Management . . . . .	214,915.			
b Legal . . . . .	123,528.			
c Accounting . . . . .	909,272.			
d Lobbying . . . . .	1,744,295.			
e Professional fundraising services. See Part IV, line 17	209,212.			
f Investment management fees . . . . .	3,992,524.			
g Other . . . . .	4,559,213.			
12 Advertising and promotion . . . . .	5,152,095.			
13 Office expenses . . . . .	1,984,394.			
14 Information technology . . . . .	0.			
15 Royalties . . . . .	3,066,181.			
16 Occupancy . . . . .	3,462,608.			
17 Travel . . . . .	0.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	421,712.			
19 Conferences, conventions, and meetings . . . . .	58,820.			
20 Interest . . . . .	0.			
21 Payments to affiliates . . . . .	1,216,131.			
22 Depreciation, depletion, and amortization . . . . .	148,060.			
23 Insurance . . . . .				
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a MSC EXPENSES PAID BY NFIB . . . . .	402,357.			
b . . . . .				
c . . . . .				
d . . . . .				
e . . . . .				
f All other expenses . . . . .				
25 Total functional expenses. Add lines 1 through 24f	86,928,231.			
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation . . . . .				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
<b>Assets</b>	1 Cash - non-interest-bearing . . . . .	101,273.	1	2,736,869.
	2 Savings and temporary cash investments . . . . .		2	
	3 Pledges and grants receivable, net . . . . .		3	
	4 Accounts receivable, net . . . . .	481,583.	4	613,517.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) . . . . .		6	
	7 Notes and loans receivable, net . . . . .	0.	7	1,500,000.
	8 Inventories for sale or use . . . . .	120,173.	8	108,841.
	9 Prepaid expenses and deferred charges . . . . .	972,104.	9	865,611.
	10 a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	10a 15,726,835.		
	b Less: accumulated depreciation . . . . .	10b 9,192,335.		
		6,578,020.	10c	6,534,500.
	11 Investments - publicly traded securities . . . . .	21,768,948.	11	24,802,801.
	12 Investments - other securities. See Part IV, line 11 . . . . .	6,265.	12	11,639.
	13 Investments - program-related. See Part IV, line 11 . . . . .		13	
	14 Intangible assets . . . . .		14	
15 Other assets. See Part IV, line 11 . . . . .	2,379,160.	15	1,139,865.	
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	32,407,526.	16	38,313,643.	
<b>Liabilities</b>	17 Accounts payable and accrued expenses . . . . .	47,985,078.	17	47,339,830.
	18 Grants payable . . . . .		18	
	19 Deferred revenue . . . . .	19,525,828.	19	19,636,819.
	20 Tax-exempt bond liabilities . . . . .		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .		22	
	23 Secured mortgages and notes payable to unrelated third parties . . . . .	1,454,000.	23	0.
	24 Unsecured notes and loans payable to unrelated third parties . . . . .	0.	24	0.
	25 Other liabilities. Complete Part X of Schedule D . . . . .	300,648.	25	218,576.
	26 <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	69,265,554.	26	67,195,225.
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets . . . . .	-37,164,511.	27	-29,133,925.
	28 Temporarily restricted net assets . . . . .	306,483.	28	252,343.
	29 Permanently restricted net assets . . . . .		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds . . . . .		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund . . . . .		31	
	32 Retained earnings, endowment, accumulated income, or other funds . . . . .		32	
	33 <b>Total net assets or fund balances</b> . . . . .	-36,858,028.	33	-28,881,582.
34 <b>Total liabilities and net assets/fund balances</b> . . . . .	32,407,526.	34	38,313,643.	

Form 990 (2010)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response to any question in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	94,948,296.
2	Total expenses (must equal Part IX, column (A), line 25)	2	86,928,231.
3	Revenue less expenses. Subtract line 2 from line 1	3	8,020,065.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-36,858,028.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-43,619.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	-28,881,582.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response to any question in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b Were the organization's financial statements audited by an independent accountant?	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

Form 990 (2010)

**Schedule B**  
(Form 990, 990-EZ,  
or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

► Attach to Form 990, 990-EZ, or 990-PF.

OMB No. 1545-0047

**2010**

Name of the organization

NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.

Employer identification number

94-0707299

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 501(c)( 6 ) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust not treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the General Rule or a Special Rule.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year . . . . . ► \$ \_\_\_\_\_

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it must answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization **NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.**Employer identification number  
**94-0707299****Part I** Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		\$ 14,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2		\$ 6,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3		\$ 35,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4		\$ 7,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5		\$ 439,294.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization **NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.**Employer identification number  
**94-0707299****Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7		\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8		\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9		\$ 179,425.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10		\$ 3,700,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
12		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization **NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.**Employer identification number  
**94-0707299****Part I** Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
13		\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
14		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
15		\$ 5,750.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
16		\$ 5,600.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
17		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
18		\$ 5,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)



Name of organization **NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.**Employer identification number  
**94-0707299****Part I** Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
19	----- ----- ----- -----	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
-----	----- ----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

**SCHEDULE C**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

**Political Campaign and Lobbying Activities**

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.**

▶ **Attach to Form 990 or Form 990-EZ.**

▶ **See separate instructions.**

OMB No. 1545-0047

**2010**

**Open to Public  
Inspection**

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35a (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization **NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.**

Employer identification number  
**94-0707299**

**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

**1** Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV.

**2** Political expenditures . . . . . ▶ \$ **0.**

**3** Volunteer hours . . . . . ▶ **0.**

**Part I-B Complete if the organization is exempt under section 501(c)(3).**

**1** Enter the amount of any excise tax incurred by the organization under section 4955 . . . . . ▶ \$

**2** Enter the amount of any excise tax incurred by organization managers under section 4955 . . . ▶ \$

**3** If the organization incurred a section 4955 tax, did it file Form 4720 for this year? . . . . . ☐ Yes ☐ No

**4a** Was a correction made? . . . . . ☐ Yes ☐ No

**b** If "Yes," describe in Part IV.

**Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).**

**1** Enter the amount directly expended by the filing organization for section 527 exempt function activities . . . . . ▶ \$ **2,873.**

**2** Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities . . . . . ▶ \$ **10,000.**

**3** Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b . . . . . ▶ \$ **12,873.**

**4** Did the filing organization file Form 1120-POL for this year? . . . . . ☒ Yes ☐ No

**5** Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-
(1) REPUBLICAN STATE LEADERSHIP COMMITTEE	1800 DIAGONAL ROAD ALEXANDRIA, VA 22314	05-0532524	10,000.	0.
(2)				
(3)				
(4)				
(5)				
(6)				

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2010

**Part II-A** Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check ☐ If the filing organization belongs to an affiliated group.  
**B** Check ☐ If the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
<b>1 a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying)			
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying)			
<b>c</b> Total lobbying expenditures (add lines 1a and 1b)			
<b>d</b> Other exempt purpose expenditures			
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d)			
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.			
<b>If the amount on line 1e, column (a) or (b) is:</b>	<b>The lobbying nontaxable amount is:</b>		
Not over \$500,000	20% of the amount on line 1e.		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.		
Over \$17,000,000	\$1,000,000.		
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f)			
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0-			
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0-			
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

**4-Year Averaging Period Under Section 501(h)**  
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
<b>2 a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column (e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2010

**Part II-B** Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i Other activities? If "Yes," describe in Part IV			
j Total. Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

**Part III-A** Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	X
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	X
3 Did the organization agree to carryover lobbying and political expenditures from the prior year?	3	X

**Part III-B** Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes."

1 Dues, assessments and similar amounts from members	1	89,237,183.
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	44,526,958.
b Carryover from last year	2b	
c Total	2c	44,526,958.
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	89,237,183.
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	-44,710,225.

**Part IV** Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i. Also, complete this part for any additional information.

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**Part IV** Supplemental Information *(continued)*

**SCHEDULE D  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

► Complete if the organization answered "Yes," to Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

► Attach to Form 990. ► See separate instructions.

OMB No. 1545-0047

**2010**

**Open to Public  
Inspection**

Name of the organization **NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.**

Employer identification number  
**94-0707299**

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year . . . . .		
2 Aggregate contributions to (during year) . . . . .		
3 Aggregate grants from (during year) . . . . .		
4 Aggregate value at end of year . . . . .		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? . . . . . ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? . . . . . ☐ Yes ☐ No

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements . . . . .	2a
b Total acreage restricted by conservation easements . . . . .	2b
c Number of conservation easements on a certified historic structure included in (a) . . . . .	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register . . . . .	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ► \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? . . . . . ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? . . . . . ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 . . . . . ► \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X . . . . . ► \$ \_\_\_\_\_

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 . . . . . ► \$ \_\_\_\_\_

b Assets included in Form 990, Part X . . . . . ► \$ \_\_\_\_\_

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2010

JSA  
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530056 1841

52726

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐

Public exhibition

d ☐

Loan or exchange programs

b ☐

Scholarly research

e ☐

Other

c ☐

Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XI V and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XI V.

**Part V Endowment Funds.** Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ☐ %

b Permanent endowment ☐ %

c Term endowment ☐ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations ☐ Yes ☐ No

(ii) related organizations ☐ Yes ☐ No

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? ☐ Yes ☐ No

4 Describe in Part XIV the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (Investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		794,900.		794,900.
b Buildings		4,114,429.	1,964,964.	2,149,465.
c Leasehold improvements		976,244.	710,850.	265,394.
d Equipment		7,126,018.	4,360,475.	2,765,543.
e Other		2,715,244.	2,156,046.	559,198.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				6,534,500.

Schedule D (Form 990) 2010

**Part VII Investments - Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives . . . . .		
(2) Closely-held equity interests . . . . .		
(3) Other . . . . .		
(A) . . . . .		
(B) . . . . .		
(C) . . . . .		
(D) . . . . .		
(E) . . . . .		
(F) . . . . .		
(G) . . . . .		
(H) . . . . .		
(I) . . . . .		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments - Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

**Part X Other Liabilities.** See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount	
(1) Federal income taxes		
(2) DUE TO AFFILIATES	38,254.	
(3) EXECUTIVE LIFE INS ANNUITY	180,322.	
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
(11)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶		218,576.

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).



**Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements**

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	94,948,296.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	86,928,231.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	8,020,065.
4	Net unrealized gains (losses) on investments	4	1,904,259.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	-1,947,878.
9	Total adjustments (net). Add lines 4 through 8	9	-43,619.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	7,976,446.

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements	1	93,013,150.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	330,977.
e	Add lines 2a through 2d	2e	330,977.
3	Subtract line 2e from line 1	3	92,682,173.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	209,212.
b	Other (Describe in Part XIV.)	4b	2,056,911.
c	Add lines 4a and 4b	4c	2,266,123.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	94,948,296.

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

1	Total expenses and losses per audited financial statements	1	84,993,085.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	330,977.
e	Add lines 2a through 2d	2e	330,977.
3	Subtract line 2e from line 1	3	84,662,108.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	209,212.
b	Other (Describe in Part XIV.)	4b	2,056,911.
c	Add lines 4a and 4b	4c	2,266,123.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	86,928,231.

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

**Part XIV Supplemental Information (continued)**

## ASC TOPIC 740 FOOTNOTE

## SCHEDULE D, PART X, LINE 2

THE FEDERATION IS A TAX-EXEMPT ORGANIZATION AS DESCRIBED IN SECTION 501(C)(6) OF THE INTERNAL REVENUE CODE (THE CODE), AND IS GENERALLY EXEMPT FROM FEDERAL INCOME TAXES ON RELATED INCOME PURSUANT TO SECTION 501(A) OF THE CODE. THE FEDERATION IS, HOWEVER, SUBJECT TO FEDERAL AND STATE INCOME TAX ON UNRELATED BUSINESS INCOME. THE FEDERATION HAD NO SIGNIFICANT UNRELATED BUSINESS INCOME FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009, NOR DOES THE FEDERATION HAVE ANY SIGNIFICANT UNCERTAIN TAX POSITIONS.

## OTHER EXCESS/DEFECIT RECONCILIATION ITEMS

## SCHEDULE D, PART XI, LINE 8

EQUITY IN LOSS OF AFFILIATE ORGANIZATION	(142,315)
NET CHANGE IN PENS. AND POSTRET. BENEFIT PLANS	(1,805,563)
	-----
TOTAL OTHER EXCESS/DEFECIT RECONCILIATION ITEMS	(1,947,878)
	=====

## RENTAL EXPENSE RECLASS

## SCHEDULE D, PART XII &amp; XIII, LINE 2D

RENTAL EXPENSES WERE RECLASSED TO INCOME IN ORDER TO PROPERLY REFLECT RENTAL INCOME ON FORM 990 PART VIII, LINE 6B (\$330,977).

**Part XIV** Supplemental Information (continued)

## MANAGEMENT FEE ALLOCATION

SCHEDULE D, PART XII &amp; XIII, LINE 4B

NATIONAL FEDERATION OF INDEPENDENT BUSINESS, INC. CHARGES A MANAGEMENT FEE TO NFIB MEMBER SERVICES CORPORATION. THIS INCOME IS BOOKED AS AN OFFSET TO THE EXPENSES ON THE TRIAL BALANCE AND MUST BE RECLASSED TO REVENUE FOR PROPER PRESENTATION ON FORM 990.

## INVESTMENT EXPENSE RECLASS

SCHEDULE D, PART XII &amp; XIII, LINE 4A

INVESTMENT EXPENSES WERE RECLASSED TO INCOME IN ORDER TO PROPERLY REFLECT INVESTMENT INCOME ON FORM 990 PART VIII, LINE 3 (\$209,212)



**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total events (add col. (a) through col. (c))
		(event type)	(event type)	(total number)	
Revenue	1 Gross receipts . . . . .				
	2 Less: Charitable contributions . . . . .				
	3 Gross income (line 1 minus line 2) . . . . .				
Direct Expenses	4 Cash prizes . . . . .				
	5 Noncash prizes . . . . .				
	6 Rent/facility costs . . . . .				
	7 Food and beverages . . . . .				
	8 Entertainment . . . . .				
	9 Other direct expenses . . . . .				
10 Direct expense summary. Add lines 4 through 9 in column (d) . . . . .					( )
11 Net income summary. Combine line 3, column (d), and line 10 . . . . .					( )

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue . . . . .				
Direct Expenses	2 Cash prizes . . . . .				
	3 Noncash prizes . . . . .				
	4 Rent/facility costs . . . . .				
	5 Other direct expenses . . . . .				
	6 Volunteer labor . . . . .	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d) . . . . .					( )
8 Net gaming income summary. Combine line 1, column d, and line 7 . . . . .					( )

9 Enter the state(s) in which the organization operates gaming activities:

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: \_\_\_\_\_

10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: \_\_\_\_\_

11 Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in:

a The organization's facility	13a	%
b An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

15 a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ▶ \$ \_\_\_\_\_

c If "Yes," enter name and address of the third party:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

16 Gaming manager information:

Name ▶ \_\_\_\_\_

Gaming manager compensation ▶ \$ \_\_\_\_\_

Description of services provided ▶ \_\_\_\_\_

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ \_\_\_\_\_

**Part IV** **Supplemental Information.** Complete this part to provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE I  
(Form 990)

Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990.

OMB No. 1545-0047

2010

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

Name of the organization NATIONAL FEDERATION OF INDEPENDENT

BUSINESS, INC.

Employer identification number

94-0707299

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. ☐

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed ☐

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)	PARTNERSHIP FOR OHIO'S FUTURE 230 E TOWN STREET COLUMBUS, OH 43215	20-5456371	501(C)(4)	37,743.				SUPPORT
(2)	BRUCE HARLOW FOUNDATION 1701 PENNSYLVANIA AVENUE NW, SUITE 400	52-1266620	501(C)(3)	7,500.				SUPPORT
(3)	NEIB YOUNG ENTREPRENEUR FOUNDATION 53 CENTURY BLVD, STE 250	62-1557196	501(C)(3)	50,000.				SUPPORT
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								

- 2 Enter total number of section 501(c)(3) and government organizations ☐ 2
- 3 Enter total number of other organizations ☐ 1
- For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule I (Form 990) (2010)

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.  
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I, PART 1, LINE 2

NFIB PROVIDED A GRANT TO ITS AFFILIATED ORGANIZATION, NFIB YOUNG ENTREPRENEUR FOUNDATION, TO HELP FURTHER THE EXEMPT PURPOSE OF THE ORGANIZATION. NFIB ALSO MADE CONTRIBUTIONS TO CHARITABLE AND OTHER EXEMPT ORGANIZATIONS WHICH SHARE IN NFIB'S MISSION TO PROMOTE AND PROTECT THE RIGHTS OF SMALL BUSINESSES AND USE OF THESE FUNDS IS MONITORED ACCORDINGLY.



**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

**2010**

**Open to Public  
Inspection**

Name of the organization **NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.**

Employer identification number  
**94-0707299**

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |   |  |
|---|--|
| <input type="checkbox"/> First-class or charter travel                        | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input checked="" type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input checked="" type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input checked="" type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- |   |   |
|---|---|
| <input type="checkbox"/> Compensation committee                         | <input type="checkbox"/> Written employment contract                                |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input checked="" type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment from the organization or a related organization? **4a**
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b**
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c**
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? **5a**
- b** Any related organization? **5b**
- If "Yes" to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? **6a**
- b** Any related organization? **6b**
- If "Yes" to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b	X	
2	X	
4a		X
4b	X	
4c		X
5a		
5b		
6a		
6b		
7		
8		
9		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2010

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation				(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	(iv) Other reportable compensation				
1 DONALD A DANNER	(i) 494,424.	(ii) 125,073.	(iii) 18,386.	(iv) 0.	16,218.	25,671.	679,772.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
2 MARY BLASTINSKY	(i) 207,171.	(ii) 49,211.	(iii) 5,623.	(iv) 0.	13,468.	23,994.	299,467.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
3 TAMMY S BOEHMS	(i) 269,474.	(ii) 64,106.	(iii) 3,442.	(iv) 0.	10,504.	14,467.	361,993.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
4 STEPHEN WOODS	(i) 228,252.	(ii) 45,990.	(iii) 5,794.	(iv) 0.	12,561.	20,413.	313,010.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
5 SUSAN M ECKERLY	(i) 224,435.	(ii) 53,241.	(iii) 3,447.	(iv) 0.	10,270.	19,157.	310,550.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
6 JEFF SMITH	(i) 136,250.	(ii) 8,538.	(iii) 1,350.	(iv) 0.	6,818.	12,077.	165,033.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
7 MARK GARZONE	(i) 242,169.	(ii) 57,050.	(iii) 4,319.	(iv) 0.	10,337.	27,040.	340,915.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
8 JOHN CASELLA	(i) 221,698.	(ii) 19,382.	(iii) 84,448.	(iv) 0.	9,939.	26,986.	362,453.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
9 MARK MOFFITT	(i) 131,768.	(ii) 110,850.	(iii) 1,000.	(iv) 0.	8,555.	12,531.	264,704.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
10 BEVERLY SHEA	(i) 209,377.	(ii) 14,290.	(iii) 3,443.	(iv) 0.	10,224.	13,153.	250,487.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
11 PAMELA CONNOR	(i) 187,838.	(ii) 36,990.	(iii) 2,243.	(iv) 0.	10,332.	27,815.	265,218.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
12 CLEON HEADLEY	(i) 135,849.	(ii) 75,564.	(iii) 10,000.	(iv) 0.	7,453.	12,531.	241,397.	
	(ii) 0.	0.	0.	0.	0.	0.	0.	
13	(i) 0.	(ii) 0.	(iii) 0.	(iv) 0.	0.	0.	0.	
14	(i) 0.	(ii) 0.	(iii) 0.	(iv) 0.	0.	0.	0.	
15	(i) 0.	(ii) 0.	(iii) 0.	(iv) 0.	0.	0.	0.	
16	(i) 0.	(ii) 0.	(iii) 0.	(iv) 0.	0.	0.	0.	

Schedule J (Form 990) 2010

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

**TRAVEL FOR COMPANIONS****SCHEDULE J, PART 1, LINE 1A**

UPON APPROVAL, A BOARD MEMBER'S COMPANION TRAVEL EXPENSES PAID BY NFIB ARE INCLUDED IN THE BOARD MEMBER'S FORM 1099 AS TAXABLE INCOME.

UPON APPROVAL, AN EMPLOYEE'S COMPANION TRAVEL EXPENSES PAID OR REIMBURSED BY NFIB ARE INCLUDED IN THE EMPLOYEE'S TAXABLE WAGES AS A TAXABLE "FRINGE BENEFIT" AND TREATED AS SALARY, SUBJECT TO WITHHOLDING, ON THE EMPLOYEE'S FORM W-2.

**TAX INDEMNIFICATION AND GROSS-UP PAYMENTS****SCHEDULE J, PART 1, LINE 1A**

NFIB HAS A NON-QUALIFYING SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN. PLAN PROVISIONS PROVIDE THAT ALL AFTER TAX BENEFITS BE GROSSED UP. THIS PLAN WAS CLOSED TO NEW PARTICIPANTS IN 2008. IN 2010 THE PLAN HAD NET TAXABLE LOSSES AND THERE WERE NO TAX GROSS-UP PAYMENTS TO PARTICIPANTS.

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

**DISCRETIONARY SPENDING ACCOUNT**

SCHEDULE J, PART 1, LINE 1A

AS APPROVED BY THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS, THE COMPENSATION PACKAGE OF THE PRESIDENT SHALL INCLUDE CERTAIN ADDITIONAL PAYMENTS SUCH AS AUTO ALLOWANCE AND CELLULAR PHONE/DATA SERVICE ALLOWANCE. IN COMPLIANCE WITH IRS CODE SECTION 132 THESE FRINGE BENEFITS ARE TREATED AS TAXABLE SALARY, SUBJECT TO WITHHOLDING, ON THE EMPLOYEE'S FORM W-2.

OFFICERS AND EXECUTIVE MANAGEMENT OF THE COMPANY RECEIVE CELLULAR PHONE/DATA SERVICE ALLOWANCE. IN COMPLIANCE WITH IRS CODE SECTION 132 THESE FRINGE BENEFITS ARE TREATED AS TAXABLE SALARY, SUBJECT TO WITHHOLDING, ON THE EMPLOYEE'S FORM W-2.

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

**SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN**

SCHEDULE J, PART I, LINE 4B

THE NATIONAL FEDERATION OF INDEPENDENT BUSINESS, INC. PROVIDES

SUPPLEMENTAL EXECUTIVE RETIREMENT PLANS (SERPS). THESE NONQUALIFIED PLANS

COVER CERTAIN KEY MANAGEMENT AND EXECUTIVE PERSONNEL. PARTICIPATION IN

ALL SERPS HAS BEEN FROZEN AND FUTURE BENEFIT ACCRUALS FOR THE PLANS HAVE

CEASED. NO PAYMENTS WERE MADE TO ANY SUPPLEMENTAL EXECUTIVE RETIREMENT

PLAN IN 2010.

**SCHEDULE O**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

**2010**

**Open to Public  
Inspection**

Name of the organization **NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.**

Employer identification number  
**94-0707299**

FORM 990 PROVIDED TO GOVERNING BODY

PART VI, SECTION B: GOVERNING BODY AND MANAGEMENT, LINE 11

FOLLOWING AN INDEPENDENT AUDIT OF ITS FINANCIAL STATEMENTS, A DRAFT OF  
NFIB'S FORM 990 IS PREPARED. THIS FORM 990 IS REVIEWED INTERNALLY BY  
NFIB'S TAX ACCOUNTANT, CONTROLLER/TREASURER, AND SVP/CFO. ANY QUESTIONS  
ARISING FROM THE INITIAL REVIEW ARE ADDRESSED TO ENSURE THE RETURN IS  
COMPLETE AND ACCURATE. ANY NECESSARY CHANGES/CORRECTIONS ARE MADE ON THE  
FORM 990 AND THE RETURN AGAIN GOES THROUGH NFIB'S INTERNAL REVIEW  
PROCESS. UPON APPROVAL OF THE SVP/CFO, THE FINAL RETURN IS FILED WITH THE  
INTERNAL REVENUE SERVICE. THE FINAL FILED RETURN IS MADE AVAILABLE TO THE  
BOARD OF DIRECTORS FOR REVIEW.

WRITTEN CONFLICT OF INTEREST POLICY

PART VI, SECTION B: POLICIES, LINE 12

EACH BOARD MEMBER, OFFICER AND EMPLOYEE OF NFIB IS REQUIRED TO SIGN AND  
SUBMIT AN NFIB CODE OF CONDUCT & ETHICS CERTIFICATION FORM TO THE CFO'S  
OFFICE ON AN ANNUAL BASIS. BY COMPLETING THIS FORM, HE/SHE CONFIRMS THAT  
HE/SHE HAS READ THE CODE AND AGREES TO CONDUCT HIMSELF/HERSELF IN  
ACCORDANCE WITH THE CODE AND APPLICABLE LAWS. HE/SHE ALSO MUST LIST ON  
THE FORM ANY CONFLICTS OR POTENTIAL CONFLICTS OF INTEREST HE/SHE MAY HAVE  
WITH NFIB AND ANY OTHER ETHICAL CONCERNS ABOUT WHICH HE/SHE FEELS NFIB  
SHOULD BE MADE AWARE. THE CFO'S OFFICE WILL SUBMIT A REPORT TO THE  
FINANCE/AUDIT COMMITTEE REGARDING ANY MATERIAL ETHICAL OR LEGAL ISSUES  
DISCLOSED ON THE CERTIFICATION FORMS.

Name of the organization NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.

Employer identification number  
94-0707299

PROCESS OF DETERMINING COMPENSATION FOR OFFICERS AND OTHER KEY EMPLOYEES

PART VI, SECTION B: POLICIES, LINE 15

THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS IS RESPONSIBLE FOR DETERMINING COMPENSATION FOR THE CEO, CFO, SECRETARY, AND KEY EMPLOYEES OF THE ORGANIZATION. THE TREASURER'S COMPENSATION IS REVIEWED AND SET BY THE CEO. IN 2008, AN OUTSIDE COMPENSATION CONSULTING FIRM WAS ENGAGED TO PROVIDE EXPERT INFORMATION REGARDING INDUSTRY-WIDE COMPENSATION NORMS AND AGAIN IN LATE 2010. RESULTS OF THE 2010 INDEPENDENT REVIEW ARE EXPECTED IN EARLY 2011 AND WILL BE PROVIDED TO THE EXECUTIVE COMMITTEE.

THE COMMITTEE RELIES ON THIS INDEPENDENT REVIEW TO ENSURE THAT REASONABLE COMPENSATION IS PAID TO THE CEO, CFO, SECRETARY, AND KEY EMPLOYEES. THE COMMITTEE'S PHILOSOPHY IS TO ENSURE THAT THE COMPENSATION FOR THESE POSITIONS RELATIVE TO MARKET COMPARISONS IS COMPETITIVE IN ORDER TO ATTRACT, RETAIN AND MOTIVATE QUALIFIED EMPLOYEES WHILE NOT BEING AT THE TOP OF THE RANGE.

THE COMMITTEE SETS THE COMPENSATION FOR THE CEO, CFO, SECRETARY, AND KEY EMPLOYEES EACH YEAR DURING THEIR MEETING WHICH IS TYPICALLY HELD IN JANUARY OR FEBRUARY. MINUTES FROM THESE ANNUAL MEETINGS ARE TAKEN BY THE CORPORATE SECRETARY DURING THE MEETING. WHEN THE MINUTES ARE REVIEWED AND APPROVED, THEY ARE RETAINED WITH ALL OTHER CORPORATE RECORDS.

DOCUMENTS AVAILABLE TO THE PUBLIC

PART VI, SECTION C: DISCLOSURE, LINE 19

IT IS NATIONAL FEDERATION OF INDEPENDENT BUSINESS' ("NFIB") POLICY TO

Name of the organization BUSINESS, INC.	NATIONAL FEDERATION OF INDEPENDENT BUSINESS, INC.	Employer identification number 94-0707299
--	--	--

MAKE AVAILABLE FOR PUBLIC INSPECTION, UPON REQUEST, EITHER WRITTEN OR IN PERSON, ITS EXEMPTION APPLICATION, SUPPORTING DOCUMENTS AND ANY LETTER OR DOCUMENT ISSUED BY THE IRS CONCERNING THE APPLICATION. NFIB ALSO MAKES AVAILABLE FOR PUBLIC INSPECTION AND COPYING, UPON REQUEST, EITHER WRITTEN OR IN PERSON, ITS FEDERAL FORM 990, RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX, AND ITS CONFLICT OF INTEREST POLICY.

## FUND BALANCE RECONCILIATION

FORM 990, PART XI, LINE 5

NET UNREALIZED GAINS	1,904,259
CHANGE IN MINIMUM PENSION LIABILITY	(1,805,563)
EQUITY IN LOSS OF AFFILIATED ORGANIZATIONS	(142,315)
-----	
CHANGES IN FUND BALANCE	(43,619)

ATTACHMENT 1FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB) WAS FORMED FOR THE FOLLOWING PURPOSES:

- A) EDUCATING AND INFORMING ALL ITS MEMBERS ON POLITICAL AND ECONOMIC ISSUES;
- B) EDUCATING AND INFLUENCING LAWMAKERS AND OTHER PUBLIC OFFICIALS ON THE INTERESTS, PROBLEMS AND NEEDS OF SMALL AND INDEPENDENT BUSINESS;
- C) EDUCATING THE GENERAL PUBLIC, THE NEWS MEDIA AND PRIVATE-SECTOR EMPLOYEES ON THE INTERESTS, PROBLEMS AND NEEDS OF SMALL AND INDEPENDENT BUSINESS AND THE VALUES OF THE FREE-ENTERPRISE SYSTEM;
- D) DETERMINING POSITIONS ON ECONOMIC AND LEGISLATIVE ISSUES BASED ON A MAJORITY OPINION OF THE NFIB MEMBERSHIP SURVEYED;



Name of the organization **NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.**

Employer identification number  
**94-0707299**

ATTACHMENT 1 (CONT'D)

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

E) INFLUENCING THE DEVELOPMENT AND CONTENT OF PUBLIC POLICY AND  
LEGISLATION THAT AFFECT SMALL AND INDEPENDENT BUSINESS;

F) MOTIVATING NFIB MEMBERS TO ACTIVELY PARTICIPATE IN THE POLITICAL  
AND LEGISLATIVE PROCESS AND THE ELECTION OF RESPONSIVE PUBLIC  
OFFICIALS;

G) CONTINUALLY STRIVING TO IDENTIFY AND SERVE THE CHANGING NEEDS AND  
INTERESTS OF NFIB MEMBERS;

H) CONTINUING TO INCREASE THE INFLUENCE OF SMALL AND INDEPENDENT  
BUSINESS THROUGH NFIB MEMBERSHIP GROWTH;

I) DEVELOP EDUCATIONAL PROGRAMS TO ASSIST INDEPENDENT BUSINESS;

J) PRESERVE AND PROTECT THE CONSTITUTION OF THE UNITED STATES AND THE  
AMERICAN SYSTEM OF PRIVATE ENTERPRISE.

ATTACHMENT 2

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
NATIONAL CAPITAL TELESERVICES, INC 300 5TH STREET NE WASHINGTON, DC 20002	TELEMARKETING SVCS.	1,744,295.
AVECTRA, INC 7901 JONES BRANCH DRIVE MCLEAN, VA 20176	CRM PROJECT	489,618.
CHERNOFF NEWMAN 1411 GERVAIS STREET COLUMBIA, SC 29201	ADV/MARKETING SVCS	729,539.
CROSSROADS MEDIA, LLC 66 CANAL CENTER PLAZA, SUITE 555 ALEXANDRIA, VA 22314	ADVERTISING SERVICES	3,130,041.
CONVERGENCE, LLC 4545 36TH STREET	WEB MAINTENANCE	508,056.

Name of the organization NATIONAL FEDERATION OF INDEPENDENT  
BUSINESS, INC.Employer identification number  
94-0707299ATTACHMENT 2 (CONT'D)990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
ORLANDO, FL 32811		
	<u>TOTAL COMPENSATION</u>	<u>6,601,549.</u>

**SCHEDULE R**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

OMB No. 1545-0047

**2010**

Open to Public  
Inspection

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.  
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization  
**NATIONAL FEDERATION OF INDEPENDENT**

**BUSINESS, INC.**

Employer identification number  
**94-0707299**

**Part I Identification of Disregarded Entities** (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) _____					
(2) _____					
(3) _____					
(4) _____					
(5) _____					
(6) _____					

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
(1) NFIB YOUNG ENTREPRENEUR FOUNDATION 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214 62-1557196	EDUCATION	TN	501(C)(3)	SUP. ORG. I	NFIB	X
(2) NFIB SMALL BUSINESS LEGAL CENTER 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214 62-1570449	PUB. LAW FIRM	TN	501(C)(3)	SUP. ORG. I	NFIB	X
(3) NFIB RESEARCH FOUNDATION 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214 04-3592337	RESEARCH	TN	501(C)(3)	SUP. ORG. I	NFIB	X
(4) NFIB FEDERAL SAFE TRUST 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214 94-2532364	PAC	CA	527	N/A	NFIB	X
(5) _____						
(6) _____						
(7) _____						

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2010

**Part III** Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) _____												
(2) _____												
(3) _____												
(4) _____												
(5) _____												
(6) _____												
(7) _____												

**Part IV** Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) NETB MEMBER SERVICES CORPORATION 53 CENTURY BLVD., SUITE 250 NASHVILLE, TN 37214-3682 94-2899401	MEMBER BENEFITS	CA	NETB	C	5,311,054.	1,625,132.	100.0000
(2) _____							
(3) _____							
(4) _____							
(5) _____							
(6) _____							
(7) _____							

Schedule R (Form 990) 2010

**Part V** Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		Yes	No
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b	Gift, grant, or capital contribution to other organization(s)		X
c	Gift, grant, or capital contribution from other organization(s)		X
d	Loans or loan guarantees to or for other organization(s)		X
e	Loans or loan guarantees by other organization(s)		X
f	Sale of assets to other organization(s)		X
g	Purchase of assets from other organization(s)		X
h	Exchange of assets		X
i	Lease of facilities, equipment, or other assets to other organization(s)		X
j	Lease of facilities, equipment, or other assets from other organization(s)		X
k	Performance of services or membership or fundraising solicitations for other organization(s)		X
l	Performance of services or membership or fundraising solicitations by other organization(s)		X
m	Sharing of facilities, equipment, mailing lists, or other assets		X
n	Sharing of paid employees		X
o	Reimbursement paid to other organization for expenses		X
p	Reimbursement paid by other organization for expenses		X
q	Other transfer of cash or property to other organization(s)		X
r	Other transfer of cash or property from other organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) NFIB YOUNG ENTREPRENEUR FOUNDATION	LINE B	50,000.	FMV
(2) NFIB MEMBER SERVICES CORPORATION	LINE K	1,654,554.	FMV
(3) NFIB RESEARCH FOUNDATION	LINE P	196,318.	FMV
(4) NFIB SMALL BUSINESS LEGAL CENTER	LINE M	123,319.	FMV
(5) NFIB RESEARCH FOUNDATION	LINE M	127,056.	FMV
(6) NFIB SMALL BUSINESS LEGAL CENTER	LINE P	173,039.	FMV

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Schedule R (Form 990) 2010

**Part V** Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

		Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	1a	
b	Gift, grant, or capital contribution to other organization(s)	1b	
c	Gift, grant, or capital contribution from other organization(s)	1c	
d	Loans or loan guarantees to or for other organization(s)	1d	
e	Loans or loan guarantees by other organization(s)	1e	
f	Sale of assets to other organization(s)	1f	
g	Purchase of assets from other organization(s)	1g	
h	Exchange of assets	1h	
i	Lease of facilities, equipment, or other assets to other organization(s)	1i	
j	Lease of facilities, equipment, or other assets from other organization(s)	1j	
k	Performance of services or membership or fundraising solicitations for other organization(s)	1k	
l	Performance of services or membership or fundraising solicitations by other organization(s)	1l	
m	Sharing of facilities, equipment, mailing lists, or other assets	1m	
n	Sharing of paid employees	1n	
o	Reimbursement paid to other organization for expenses	1o	
p	Reimbursement paid by other organization for expenses	1p	
q	Other transfer of cash or property to other organization(s)	1q	
r	Other transfer of cash or property from other organization(s)	1r	
2	If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.		

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) NFIB MEMBER SERVICES CORPORATION	LINE O	254,690.	FMV
(2) NFIB SMALL BUSINESS LEGAL CENTER	LINE O	93,592.	FMV
(3) NFIB MEMBER SERVICES CORPORATION	LINE A	10,000.	FMV
(4) NFIB MEMBER SERVICES CORPORATION	LINE P	402,357.	FMV
(5) NFIB MEMBER SERVICES CORPORATION	LINE D	1,500,000.	FMV
(6) NFIB FEDERAL SAFE TRUST	LINE C	439,294.	FMV

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**Part VI** **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN or entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No
(1) _____										
(2) _____										
(3) _____										
(4) _____										
(5) _____										
(6) _____										
(7) _____										
(8) _____										
(9) _____										
(10) _____										
(11) _____										
(12) _____										
(13) _____										
(14) _____										
(15) _____										
(16) _____										

**Part VII****Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).